Failure of Urban Co-operative Banks in A.P.

2168 SHRI S M LALJAN BASHA Will the Minister of FINANCE be pleased to state

(a) the number and names of urban co-operative banks which have been out of business in Andhra Pradesh during the last three years,

(b) what assistance Government propose to give to the depositors in such banks,

(c) the funds released for this purpose by Government, and

(d) the action taken by Government to help people involved in these defunct or sick urban co-operative banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S S PALANIMANICKAM) (a) The list of Urban Co-operative Banks (UCBs) in Andhra Pradesh, whose licence have been cancelled and banks which were put under directions during the last three years, are given in Statement-I (*see* below)

(b) and (c) After cancellation, the banks are taken into liquidation with a view to settle the claims of depositors up to Rs 1 lakh as per the scheme of Deposit Insurance and Credit Guarantee Corporation (DICGC) The claims sanctioned by DICGC for settlement as submitted by the banks under liquidation during the last three years are given in Statement II (*see* below) The Charminar Co-operative Urban Bank Ltd is under reconstruction scheme evolved by the Government of Andhra Pradesh under Sub-Section 115(B) of AP Co-operative Societies Act, 1964 and approved by RBI effective from the 3rd March, 2003 in exercise of the powers conferred on it As per the scheme, DICGC has already released Rs 23 crore to the small depositors of the bank

(d) In the case of defunct banks, the liquidators are appointed by the Registrar of Co-operative Societies who in turn submit details of claims of individual depositors to DICGC After verifying and satisfying the claims of depositors, the DICGC arranges to pay the depositors upto Rs 1 00 lakh per depositor through the bank

Statement-I

List of Urban Co-operative Banks in Andhra Pradesh whose licences were cancelled and Banks which were put under directions during the last three years

S No	Name of the Bank	Date of Cancellation of licence
A	**Licence Cancelled**	
	2002	
1	Aryan Co-operative Urban Bank Ltd	25 01 2002
2	First City Co-operative Urban Bank Ltd	18 04 2002
3	Jawahar Co-operative Urban Bank Ltd	20 05 2002
4	Rajampet Co-operative Urban Bank Ltd	05 07 2002
5	Praja Co-operative Urban Bank Ltd	06 07 2002
6	Mega City Co-operative Urban Bank Ltd	8 8 2002
7	Armoor Co-operative Urban Bank Ltd	04 09 2002
8	Mother Theresa Co-operative Urban Bank Ltd	19 10 2002
9	Pithapuram Co-operative Urban Bank Ltd	14 11 2002
	2003	
10	Star Co-operative Urban Bank Ltd	05 01 2003
11	Dhana Co-operative Urban Bank Ltd	12 04 2003
12	Narasaraopeta Co-operative Urban Bank Ltd	07 06 2003
13	Manaikanta Co-operative Urban Bank Ltd	16 07 2003
14	Vasundhara Co-operative Urban Bank Ltd	08 09 2003
15	Neelagiri Co-operative Urban Bank Ltd	06 10 2003
16	Trinity Co-operative Urban Bank Ltd	05 12 2003
	2004	
17	Mahalaxmi Co-operative Urban Bank Ltd	19 01 2004
18	Kalyan Co-operative Urban Bank Ltd	19 01 2004
19	Vijaya Mahila Co-operative Urban Bank Ltd	28 01 2004
20	Swamy Gnananada Yogeshwara Mahila Co-operative Urban Bank Ltd	03 03 2004
21	Sai Co-operative Urban Bank Ltd	01 06 2004
22	Satya Sai Co-operative Urban Bank Ltd	19 08 2004
23	Belampally Co-operative Urban Bank Ltd	10 08 2004
B	**Banks placed under Directions**	
24	Prudential Co-operative Urban Bank Ltd	
25	Vasavi Co-operative Urban Bank Ltd	
26	Srinivasa Padmavathi Co-operative Urban Bank Ltd	
27	Hyderabad Co-operative Urban Bank Ltd	
28	Bobbili Co-operative Urban Bank Ltd	
29	Sree Bharathi Co-operative Urban Bank Ltd	
30	Sreekalahasthi Co-operative Urban Bank Ltd	
31	Palakol Co-operative Urban Bank Ltd	

Statement-II

Claims sanctioned by DICGC for settlement during the last three years

S. No.	Name of the Bank	Amount sanctioned by DICGC (Amount in Rupees)
	2002	
1.	Aryan Co-operative Urban Bank Ltd.	46,781,033 93
2.	First City Co-operative Urban Bank Ltd	12,873,233.79
3	Jawahar Co-operative Urban Bank Ltd	Claims received in July, 2004-under process
4.	Rajampet Co-operative Urban Bank Ltd.	16,345,120.48
5.	Praja Co-operative Urban Bank Ltd	9,254,481 40
6.	Mega City Co-operative Urban Bank Ltd	16,197,577 39
7	Armoor Co-operative Urban Bank Ltd.	708,437.60
8.	Mother Theresa Co-operative Urban Bank Ltd	50,461,501 63
9	Pithapuram Co-operative Urban Bank Ltd	7,697,971.56
	2003	
10.	Star Co-operative Urban Bank Ltd	2,626,790 96
11	Dhana Co-operative Urban Bank Ltd	23,855,343.90
12	Narasaraopeta Co-operative Urban Bank Ltd	Claims list yet to be received
13.	Manikanta Co-operative Urban Bank Ltd	21,677,670.15
14	Vasundhara Co-operative Urban Bank Ltd	Claim received in August, 2004-under process
15	Neelagin Co-operative Urban Bank Ltd.	-do-
16.	Trinity Co-operative Urban Bank Ltd.	Claim list yet to be received
	2004	
17	Mahalaxmi Co-operative Bank Ltd	-do-
18.	Kalyan Co-operative Urban Bank Ltd.	-do-
19.	Vijaya Mahila Co-operative Urban Bank Ltd.	-do-
20.	Swamy Gnanananda Yogeshwara Mahila Co-operative Urban Bank Ltd.	-do-
21.	Sai Co-operative Urban Bank Ltd	-do-
22.	Satya Sai Co-operative Urban Bank Ltd.	-do-
23	Bellampally Co-operative Urban Bank Ltd	-do-

Non-Salaried class under Tax Net

2169. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state: